



Nikki R. Haley, Governor  
Marcia S. Adams, Executive Director

**STATE OFFICE of VICTIM  
ASSISTANCE**

Larry Barker, Ph.D., Director  
State Office of Victim Assistance  
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Columbia, SC 29201  
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June 28, 2016

F. Lee Prickett, Jr  
Calhoun County Courthouse Annex  
102 Courthouse Drive (Suite 108)  
St. Matthews, SC 29135


Dear Mr. Prickett:

The State Office of Victims Assistance (SOVA) is sending this notice to inform you that we have completed the SOVA 90 Day Follow-up audit for the Calhoun County Victim Assistance Program and a copy of the official report is attached for your review. Due to Proviso 117.51, SOVA is legislatively mandated to conduct programmatic reviews and financial audits on any entity or non-profit organization receiving victim assistance funding to ensure that the crime victim funds are expended in accordance with the law.

Once again enclosed is a copy of our audit results. Please be advised that all SOVA audits and follow-up reports are public information. You will have 5 business days from the completion date stated on the front of this report to provide me with a written response. At the end of 5 business days, this report will be posted on the SOVA website at [www.sova.sc.gov](http://www.sova.sc.gov) under the SOVA auditing tab.

Should you have any further questions or concerns, please feel free to contact me or Mr. Dexter Boyd at (803)734-0434.

Sincerely,

  
Larry Barker, Ph.D.  
Director

CC: Sheriff Thomas S. Summers Jr.  
Denise Christmas



## State Office of Victim Assistance

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January 27, 2016

### **Programmatic Review and Financial Audit of Calhoun County Victim Assistance FFA Fund**

June 28, 2016

### **90 Day Follow-up Review**

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FFA – Fines, Fees, and Assessment	
SOVA – State Office of Victims Assistance	
SCLEVA – South Carolina Law Enforcement Victim Advocate	



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## Introduction and Laws

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### PREFACE

This 90 Day Follow-up Programmatic Review was initiated in response to recommendations in the SOVA initial audit issued on January 27, 2016. On April 29, 2016, the Director of SOVA issued a letter to the County Administrator, Sheriff, and the Finance Director to inform them of the Calhoun County Victim Assistance 90 Day Follow-up Review. The review was conducted on May 25, 2016.

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### *Governing Laws and Regulations*

#### *Proviso 117.51*

General Provision 117.51. (GP: Assessment Audit/Crime Victim Funds)

If the State Auditor finds that any county treasurer, municipal treasurer, county clerk of court, magistrate, or municipal court has not properly allocated revenue generated from court fines, fines, and assessments to the crime victim funds or has not properly expended crime victim funds, pursuant to Sections 14-1-206(B)(D), 14-1-207(B)(D), 14-1-208(B)(D), and 14-1-211(B) of the 1976 Code, the State Auditor shall notify the State Office of Victim Assistance.

The State Office of Victim Assistance is authorized to conduct an audit which shall include both a programmatic review and financial audit of any entity or non-profit organization receiving victim assistance funding based on the referrals from the State Auditor or complaints of a specific nature received by the State Office of Victim Assistance to ensure that crime victim funds are expended in accordance with the law. Guidelines for the expenditure of these funds shall be developed by the Victim Services Coordinating Council. The Victim Services Coordinating Council shall develop these guidelines to ensure any expenditure which meets the parameters of Article 15, Chapter 3, Title 16 is an allowable expenditure.

Any local entity or non-profit organization that receives funding from revenue generated from crime victim funds is required to submit their budget for the expenditure of these funds to the State Office of Victim Assistance within thirty days of the budget's approval by the governing body of the entity or non-profit organization.

*Proviso 117.51 (cont.)*

Failure to comply with this provision shall cause the State Office of Victim Assistance to initiate a programmatic review and a financial audit of the entity's or non-profit organization's expenditures of victim assistance funds.

Additionally, the State Office of Victim Assistance will place the name of the non-compliant entity or non-profit organization on their website where it shall remain until such time as they are in compliance with the terms of this proviso. Any entity or non-profit organization receiving victim assistance funding must cooperate and provide expenditure/program data requested by the State Office of Victim Assistance. If the State Office of Victim Assistance finds an error, the entity or non-profit organization has ninety days to rectify the error. An error constitutes an entity or non-profit organization spending victim assistance funding on unauthorized items as determined by the State Office of Victims Assistance. If the entity or non-profit organization fails to cooperate with the programmatic review and financial audit or to rectify the error within ninety days, the State Office of Victim Assistance shall assess and collect a penalty in the amount of the unauthorized expenditure plus \$1,500 against the entity or non-profit organization for improper expenditures. This penalty plus \$1,500 must be paid within thirty days of the notification by the State Office of Victim Assistance to the entity or non-profit organization that they are in non-compliance with the provisions of this proviso.

All penalties received by the State Office of Victim Assistance shall be credited to the General Fund of the State. If the penalty is not received by the State Office of Victim Assistance within thirty days of the notification, the political subdivision will deduct the amount of the penalty from the entity or non-profit organization's subsequent fiscal year appropriation.

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*Proviso 98.9*

98.9 (TREASURY: Penalties for Non-reporting)

If a municipality fails to submit the audited financial statements required under Section 14- 1-208 of the 1976 Code to the State Treasurer within thirteen months of the end of their fiscal year, the State Treasurer must withhold all state payments to that municipality until the required audited financial statement is received.



If the State Treasurer receives an audit report from either a county or municipality that contains a significant finding related to court fine reports or remittances to the Office of State Treasurer, the requirements of Proviso 117.51 shall be followed if an amount due is specified, otherwise the State Treasurer shall withhold twenty-five percent of all state payments to the county or municipality until the estimated deficiency has been satisfied.

If a county or municipality is more than ninety days delinquent in remitting a monthly court fines report, the State Treasurer shall withhold twenty-five percent of state funding for that county or municipality until all monthly reports are current.

After ninety days, any funds held by the Office of State Treasurer will be made available to the State Auditor to conduct an audit of the entity for the purpose of determining an amount due to the Office of State Treasurer, if any.

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***SC Code of Law  
Title 14***

**Courts – General Provisions**

Collection/Disbursement of Crime Victim Monies at the Municipal & County Levels: below is a brief synopsis of applicable sections.

- **Sec. 14-1-206, subsection(s) A, B & D:** A person who is convicted of, pleads guilty or nolo contendere to, or forfeits bond for an offense occurring after June 30, 2008, tried in general sessions court must pay an amount equal to 107.5 percent of the fine imposed as an assessment. The county treasurer must remit 35.35 % of the revenue generated by the assessment imposed in general sessions to the county to be used exclusively for the purpose of providing direct victim services and remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month.
- **Sec. 14-1-207 Subsection(s) A, B & D:** A person who is convicted of, pleads guilty or nolo contendere to, or forfeits bond for an offense occurring after June 30, 2008, tried in magistrate's court must pay an amount equal to 107.5 percent of the fine imposed as an assessment.

- **Sec. 14-1-207 Subsection(s) A, B & D (cont):** The county treasurer must remit 11.16 % of the revenue generated by the assessment imposed in magistrate's court to the county to be used exclusively for the purpose of providing direct victim services and remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month.
  
- **Sec. 14-1-208 Subsection(s) A, B & D:** A person who is convicted of, pleads guilty or nolo contendere to, or forfeits bond for an offense occurring after June 30, 2008, tried in municipal's court must pay an amount equal to 107.5 percent of the fine imposed as an assessment. The county treasurer must remit 11.16 % of the revenue generated by the assessment imposed in municipal court to the county to be used exclusively for the purpose of providing direct victim services and remit the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month.
  
- **Sec. 14-1-211 Subsection A, B, &D:** A one hundred dollar surcharge is imposed on all convictions obtained in general sessions court and a twenty-five dollar surcharge is imposed on all convictions obtained in the magistrate's and municipal court must be retained by the jurisdiction which heard or processed the case and paid to the city or county treasurer.  
 Any funds retained by the county or city treasurer must be deposited into a separate account for the exclusive use for all activities related to those service requirements that are imposed on local law enforcement, local detention facilities, prosecutors, and the summary courts. These funds must be used for, but are not limited to, salaries, equipment that includes computer equipment and internet access, or other expenditures necessary for providing services to crime victims. All unused funds must be carried forward from year to year and used exclusively for the provision of services to the victims of crime. All unused funds must be separately identified in the governmental entity's adopted budget as funds unused and carried forward from previous years.



- **Sec. 14-1-207 Subsection(s) A, B & D (cont):** To ensure that surcharges imposed pursuant to this section are properly collected and remitted to the city or county treasurer, the annual independent external audit required to be performed for each municipality and each county must include a review of the accounting controls over the collection, reporting, and distribution of surcharges from the point of collection to the point of distribution and a supplementary schedule detailing all surcharges collected at the court level, and the amount remitted to the municipality or county.

The supplementary schedule must include the following elements:

- (a) All surcharges collected by the clerk of court for the general sessions, magistrates, or municipal court;
- (b) The amount of surcharges retained by the city or county treasurer pursuant to this section;
- (c) The amount of funds allocated to victim services by fund source; and
- (d) How those funds were expended, and any carry forward balances.

The supplementary schedule must be included in the external auditor's report by an "in relation to" paragraph as required by generally accepted auditing standards when information accompanies the basic financial statements in auditor submitted documents.

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## AUDIT OBJECTIVES

Proviso 117.51 mandates the State Office Victim Assistance to conduct programmatic reviews on any entity or non-profit organization receiving victim assistance funding to ensure that the crime victim funds are expended in accordance with the law.

### Audit Objectives were:

- To determine if Calhoun County distributed the process and procedures outlined in the initial audit to all relevant parties by the 90 Day Follow-up audit.



## RESULTS IN BRIEF

### *Fund Accountability*

Yes, Calhoun County distributed the process and procedures outlined in the initial audit to all relevant parties by the 90 Day Follow-up audit.

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**Objective(s), Conclusion(s), Recommendation(s), and Comments**

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**A. Fund Accountability****Objective**

Did Calhoun County distribute the process and procedures outlined in the initial audit to all relevant parties by the 90 Day Follow-up audit?

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**Conclusion**

Yes, Calhoun County distributed the process and procedures outlined in the initial audit to all relevant parties by the 90 Day Follow-up audit.

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**Background**

SC Governing Laws Proviso 117.51

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**Discussion**

While conducting the Calhoun County SOVA initial audit, the auditor requested policies and procedures regarding the process for making a request to expend Victim Assistance funds. During the initial audit site visit, the Victim Assistance Procedural Manual was submitted to the auditor for review which outlined the following policies and procedures regarding how funds are requested from the VA account:

- The advocate prepares a written letter outlining the reason(s) for making the request for funds
- The advocate does research to have some knowledge as to the estimated cost for the item(s) being requested and attach to the request
- The County must establish a chain of command as to who the advocate will provide copies of the request to first for signature approval, second for signature approval and then forwarded to the finance office
- The advocate makes a copy of the request and keeps a copy on file
- The advocate develops an organizes a filing system to maintain all requests



- The advocate develops a process and procedure for the receipt of requested item(s) and documents the receipt of items and the time it took for delivery

It was confirmed by the Finance Director that the procedures listed above were on file officially with the county and available to all relevant parties. It was then recommended by the auditor that this process continues as they move forward to ensure the Victim Assistance funds are expended properly. In addition, it was recommended the county distribute the process and procedures to all relevant parties.

On May 25, 2016 while conducting the 90 Day Follow-up audit site visit, the auditor asked the Finance Director if the procedures listed above had been distributed to all relevant parties as recommended in the SOVA initial audit report dated January 27, 2016. The County Finance Director submitted a document which included the signature and title of each person that received the policies and procedures verifying they did distribute the policies and procedures to all relevant parties as recommended.

To ensure all victim assistance fines, fees, and assessments were spent on allowable purchases, the SOVA auditor also requested an expenditure report for September 10, 2015 through May 13, 2016. After reviewing the expenditure report, it was noted that salaries were being paid above the allowable percentage of 35 percent. The SOVA auditor inquired about the overpayment of salaries from the victim assistance fund and the Finance Director stated that there would be a transfer at the end of the fiscal year to make sure the proper amount was allocated to the victim assistance fund for the advocate's salary and fringe benefits. The auditor noted SOVA would follow up during the FY 16-17 budget phase and request supporting documentation to ensure the county transfers the proper amount from the victim assistance fund for the advocate's salary.

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### **Recommendation(s)** **and Comments**

**A-1**

**No further recommendations.**

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**Objective(s), Conclusion(s), Recommendation(s), and Comments**

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**B. Technical Assistance****Documentation Provided**

During our site visit we explained and provided the following documents:

1. Copy of the Legislative Proviso 117.51
2. Copy of the Legislative Proviso 98.9
3. Copy of a Sample Budget
4. Sample Staff Hired Report
5. Sample Time and Activity Report
6. Sample Expenditure Report
7. Victim Advocate Procedural Manual
8. Copy of 2013 Approved Guidelines
9. Technical Assistance

**Other Matters**

There are no other matters.



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## Corrective Action

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*Proviso 117.51 states:*

*“If the State Office of Victim Assistance finds an error, the entity or nonprofit organization has ninety days to rectify the error. An error constitutes an entity or nonprofit organization spending victim assistance funding on unauthorized items as determined by the State Office of Victims Assistance. If the entity or nonprofit organization fails to cooperate with the programmatic review and financial audit or to rectify the error within ninety days, the State Office of Victim Assistance shall assess and collect a penalty in the amount of the unauthorized expenditure plus \$1,500 against the entity or nonprofit organization for improper expenditures. This penalty plus \$1,500 must be paid within thirty days of the notification by the State Office of Victim Assistance to the entity or nonprofit organization that they are in noncompliance with the provisions of this proviso. All penalties received by the State Office of Victim Assistance shall be credited to the General Fund of the State. If the penalty is not received by the State Office of Victim Assistance within thirty days of the notification, the political subdivision will deduct the amount of the penalty from the entity or nonprofit organization’s subsequent fiscal year appropriation.”*

**The 90 Day Follow-up Programmatic Review and Financial audit site visit was completed on May 25, 2016.**

**All recommendations were completed by the 90 Day Follow-up audit. Therefore the county has complied with all recommendations.**

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# Official Post-Audit Response

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**The County/City has 5 business days from the date listed on the front of this report to provide a written response to the SOVA Director:**


**Larry Barker, Ph.D.  
1205 Pendleton St., Room 401  
Columbia, SC 29201**

**At the end of the five day response period, this report and all post-audit responses (located in the Appendix) will become public information on the State Office of Victim Assistance (SOVA) website:**

**[www.sova.sc.gov](http://www.sova.sc.gov)**

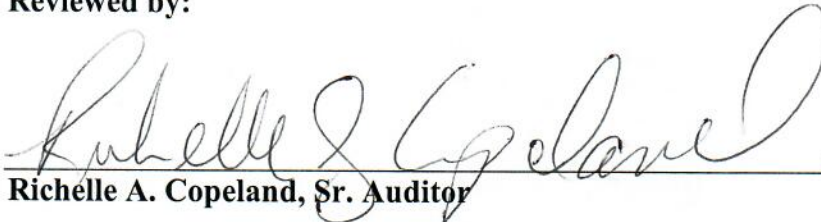


Programmatic Review Completed by:

  
Dexter L. Boyd, Lead Auditor

6/28/16  
Date

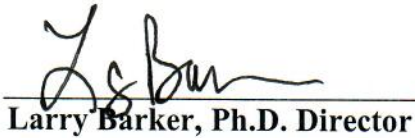
Reviewed by:

  
Richelle A. Copeland, Sr. Auditor

6/28/16  
Date

  
Ethel Douglas Ford, CPM, Deputy Director

6/28/16  
Date

  
Larry Barker, Ph.D. Director

6/28/16  
Date